

list price of the home and the discounted selling price. The second mortgage will have the same term as the owner-occupancy term. The amount of the second mortgage will be reduced, according to a schedule established by HUD, periodically over the owner-occupancy term. If you fail to meet any of the continuing obligations of the OND Sales Program, you will owe HUD the amount due on the second mortgage. At the end of the owner-occupancy term, the amount of the second mortgage will be zero.

§ 291.560 May I purchase a multi-unit property through the Officer Next Door Sales Program if I plan to live in one of the units as my sole residence?

No, only single-unit properties are eligible for the Officer Next Door Sales Program.

§ 291.570 What continuing obligations apply to me if I purchase a home through the Officer Next Door Sales Program?

To remain a participant in the Officer Next Door Sales Program you must, for the entire duration of the owner-occupancy term:

(a) Continue to own, and live in as your sole residence, the home you purchased through the Officer Next Door Sales Program;

(b) Not own any other residential real property other than the home you purchased through the Officer Next Door Sales Program; and

(c) Certify initially and once annually that paragraphs (a) and (b) of this section continue to be true.

§ 291.580 May governmental entities and private nonprofit organizations purchase homes through the Officer Next Door Sales Program?

Yes, governmental entities and private nonprofit organizations may purchase homes through the Officer Next Door Sales Program, if they intend to resell these homes directly to law enforcement officers under the terms and conditions of the Officer Next Door Sales Program. In order to participate, governmental entities and private nonprofit organizations must either:

(a) Assign the sales contract to a qualified law enforcement officer before, or at the time of, closing; or

(b) Participate in a three party closing with the qualified law enforcement officer.

§ 291.590 How are the terms governmental entities and private nonprofit organization defined?

The terms *Governmental entities* and *Private nonprofit organization* are defined in § 291.5 of this part.